

**MISSION VALLEY CONSOLIDATION LEASE**



**7575 METROPOLITAN DRIVE  
SAN DIEGO, CALIFORNIA**

**FILE NO.: 4675001  
PROJECT NO.: 8902146  
AMENDMENT NO.: 1**

*RE: Question  
#2*

THIS AMENDMENT TO LEASE, made and entered into this 27th day of January, 2000, by and between WESTERN DEVCON, INC., hereinafter called Lessor, and the State of California, acting by and through the Director of the Department of General Services, hereinafter called the State;

## WITNESSETH

WHEREAS, under the lease dated February 1, 1998, the State hired from Lessor certain premises located at Lots 4 through 7, inclusive of Mission Valley Heights, San Diego, California, as more particularly described in said lease; and

WHEREAS, the parties hereto desire to amend said lease to (1) adjust the amount of net usable square footage hired under this lease; (2) adjust the dates upon which the lease shall commence and end; (3) adjust the date upon which the State may terminate the lease; (4) adjust the monthly rental payable accordingly; (5) adjust and establish the dates upon which the initially occupied portion of the leased premises of approximately 159,448 usable square feet and the remaining portion of the leased premises of approximately 59,963 net usable square feet shall be completed and made ready for State's occupancy; (6) adjust and establish the dates upon or after which the State may terminate this lease in the event that either portion of the leased premises has not been made ready for occupancy; (7) adjust the earliest date upon which the State may exercise its first option to purchase; (8) adjust and establish the dates upon and after which Lessor will pay liquidated damages to the State and the amounts of such liquidated damages.

NOW THEREFORE, it is mutually agreed between the parties hereto as follows:

1. In Paragraph 1 of said Lease (Description), in the second paragraph, the amount of office space hired under this lease is changed from approximately 219,000 net usable square feet to approximately 219,411 net usable square feet.
2. In Paragraph 2 of said Lease (Term), the date upon which the lease shall commence is deleted and restated as June 1, 2000 and the date upon which the lease shall end is deleted and restated as May 31, 2025.
3. In Paragraph 3 of said Lease (Early Termination), the date of March 31, 2025 is deleted and restated as May 31, 2025.
4. In Paragraph 4 of said Lease (Rent), the monthly rental to be paid by the State is entirely deleted and restated as follows:

TWO HUNDRED EIGHTEEN THOUSAND FOUR HUNDRED FORTY-FOUR AND NO/100 DOLLARS (\$218,444.00) from June 1, 2000 through November 30, 2000; then

THREE HUNDRED THOUSAND FIVE HUNDRED NINETY THREE AND NO/100 DOLLARS (\$300,593.00) from December 1, 2000 through May 31, 2001; then

THREE HUNDRED FIFTEEN THOUSAND NINE HUNDRED FIFTY-TWO AND NO/100 DOLLARS (\$315,952.00) from June 1, 2001 through May 31, 2002; then

THREE HUNDRED THIRTY-ONE THOUSAND THREE HUNDRED ELEVEN AND NO/100 DOLLARS (\$331,311.00) from June 1, 2002 through May 31, 2003; then

THREE HUNDRED THIRTY-SEVEN THOUSAND EIGHT HUNDRED NINETY-THREE AND NO/100 DOLLARS (\$337,890.00) from June 1, 2003 through May 31, 2004; then

THREE HUNDRED FORTY-FOUR THOUSAND FOUR HUNDRED SEVENTY-FIVE AND NO/100 DOLLARS (\$344,475.00) from June 1, 2004 through May 31, 2005; then

THREE HUNDRED FIFTY-ONE THOUSAND FIFTY EIGHT AND NO/100 DOLLARS (\$351,058.00) from June 1, 2005 through May 31, 2006; then

THREE HUNDRED FIFTY-SEVEN THOUSAND SIX HUNDRED FORTY AND NO/100 DOLLARS (\$357,640.00) from June 1, 2006 through May 31, 2007; then

THREE HUNDRED SIXTY-SIX THOUSAND FOUR HUNDRED SIXTEEN AND NO/100 DOLLARS (\$366,416.00) from June 1, 2007 through May 31, 2008; then

THREE HUNDRED SEVENTY-TWO THOUSAND NINE HUNDRED NINETY-NINE AND NO/100 DOLLARS (\$372,999.00) from June 1, 2008 through May 31, 2009; then

THREE HUNDRED SEVENTY-NINE THOUSAND FIVE HUNDRED EIGHTY-ONE AND NO/100 DOLLARS (\$379,581.00) from June 1, 2009 through May 31, 2010; then

THREE HUNDRED EIGHTY-EIGHT THOUSAND THREE HUNDRED FIFTY-SEVEN AND NO/100 DOLLARS (\$388,357.00) from June 1, 2010 through May 31, 2011; then

THREE HUNDRED NINETY-FOUR THOUSAND NINE HUNDRED FORTY AND NO/100 DOLLARS (\$394,940.00) from June 1, 2011 through May 31, 2012; then

FOUR HUNDRED THREE THOUSAND SEVEN HUNDRED SIXTEEN AND NO/100 DOLLARS (\$403,716.00) from June 1, 2012 through May 31, 2013; then

FOUR HUNDRED TWELVE THOUSAND FOUR HUNDRED NINETY-THREE AND NO/100 DOLLARS (\$412,493.00) from June 1, 2013 through May 31, 2014; then

FOUR HUNDRED TWENTY-ONE THOUSAND TWO HUNDRED SIXTY-NINE AND NO/100 DOLLARS (\$421,269.00) from June 1, 2014 through May 31, 2015; then

FOUR HUNDRED TWENTY-SEVEN THOUSAND EIGHT HUNDRED FIFTY-ONE AND NO/100 DOLLARS (\$427,851.00) from June 1, 2015 through May 31, 2016; then

FOUR HUNDRED THIRTY-SIX THOUSAND SIX HUNDRED TWENTY-EIGHT AND NO/100 DOLLARS (\$436,628.00) from June 1, 2016 through May 31, 2017; then

FOUR HUNDRED FORTY-FIVE THOUSAND FOUR HUNDRED FOUR AND NO/100 DOLLARS (\$445,404.00) from June 1, 2017 through May 31, 2018; then

FOUR HUNDRED FIFTY-FOUR THOUSAND ONE HUNDRED EIGHTY-ONE AND NO/100 DOLLARS (\$454,181.00) from June 1, 2018 through May 31, 2019; then

FOUR HUNDRED SIXTY-TWO THOUSAND NINE HUNDRED FIFTY-SEVEN AND NO/100 DOLLARS (\$462,957.00) from June 1, 2019 through May 31, 2020; then

FOUR HUNDRED SEVENTY-THREE THOUSAND NINE HUNDRED TWENTY-EIGHT AND NO/100 DOLLARS (\$473,928.00) from June 1, 2020 through May 31, 2021; then

FOUR HUNDRED EIGHTY-TWO THOUSAND SEVEN HUNDRED FOUR AND NO/100 DOLLARS (\$482,704.00) from June 1, 2021 through May 31, 2022; then

FOUR HUNDRED NINETY-ONE THOUSAND FOUR HUNDRED EIGHTY-ONE AND NO/100 DOLLARS (\$491,481.00) from June 1, 2022 through May 31, 2023; then

FIVE HUNDRED TWO THOUSAND FOUR HUNDRED FIFTY-ONE AND NO/100 DOLLARS (\$502,451.00) from June 1, 2023 through May 31, 2024; then

FIVE HUNDRED ELEVEN THOUSAND TWO HUNDRED TWENTY-EIGHT AND NO/100 DOLLARS (\$511,228.00) from June 1, 2024 through May 31, 2025.

5. Paragraph 6 of said Lease (Completion and Compliance with Plans and Specifications) of the lease is entirely deleted and restated as follows:

Lessor agrees that prior to June 1, 2000, and at Lessor's sole cost and expense, all required construction, improvements and/or alterations to the initially occupied area of the building comprising approximately 159,448 net usable square feet, will be completed and this portion of the leased premises made ready for State's occupancy in full compliance with Exhibit "A", consisting of 8 sheets titled, "General Project Requirements, Transaction No. 8902146" dated January 1, 1998, and in accordance with Exhibit "B", consisting of 18 pages, plus cover sheet titled, "Outline Specifications Transaction No. 8902146" dated January 1, 1998, which Exhibits "A" and "B" and also Exhibit "C" "Unit Cost Schedule" and Exhibit "F" "Program Data", are by this reference incorporated herein. Further, Lessor agrees that prior to December 1, 2000, and at Lessor's sole cost and expense, all required construction, improvements and/or alterations in the remaining portion of leased premises of approximately 59,963 net usable square feet, shall be completed and made ready for State's occupancy in full compliance with Exhibits "A", "B", "C" and "F" as further described above in this paragraph. It is further agreed that a portion (not more than 8,800 net usable square feet) of the above referenced 59,963 net usable square feet may not be complete and ready for State's occupancy on December 1, 2000 and that in such event, the Premises will still be considered to be ready for State's occupancy with no delay in the commencement of payment of Rent or reduction in the amount of Rent.

6. The second sentence in Paragraph 9 of said Lease (Time Limit and Prior Tenancy) shall be deleted and restated as follows:

It is specifically agreed that in the event that the initially occupied portion of the leased premises of approximately 159,448 net usable square feet are not completed and ready for occupancy by the State on or before June 30, 2000, then and in that event the State may, at its option and in addition to any other remedies it may have, terminate this lease and be relieved of any further obligations thereunder, providing that a fair and reasonable allowance for the delays as listed below in this paragraph be added to said time for completion.

Further, a third sentence shall be added to the first paragraph of Paragraph 9 (Time Limit and Prior Tenancy) as follows:

Further, no rental shall accrue under this lease for the remaining portion of the leased premises of approximately 59,963 square feet until this portion of the leased premises has been made ready for occupancy in accordance with the provisions hereof. It is specifically agreed that in the event the remaining portion of the leased premises of approximately 59,963 net usable square feet are not completed and ready for occupancy by the State on or before December 31, 2000, then and in that event the State may, at its option and in addition to any other remedies it may have, terminate this lease and be relieved of any further obligations thereunder, providing that a fair and reasonable allowance for the delays described below in this paragraph shall be added to said time for completion. However, it is agreed that a portion (not more than 8,800 net usable square feet) of the above referenced 59,963 net usable square feet may not be complete by the date specified in the Completion Notice referenced above and

that in such event the payment of Rent shall not be delayed and the State may not terminate this Lease or be relieved of any obligations thereunder.

7. In Paragraph 37 of said Lease (Option To Purchase), Item B, the date of April 1, 2000 is deleted and restated as June 1, 2000.
8. Paragraph 41 of said Lease (Liquidated Damages) is entirely deleted and restated as follows:

Lessor agrees that should Lessor fail to complete the construction, improvements, and/or alterations by the completion dates specified above in Paragraph 6 for both the initially occupied portion of the premises of approximately 159,448 square feet and the remaining portion of the premises of approximately 59,963 net usable square feet:

A. Lessor agrees that should Lessor fail to complete the initially occupied portion of the premises of approximately 159,448 net usable square feet by the date specified in the Completion Notice for such space required in Paragraph 9, and the State suffers damages resulting from said failure, then Lessor within 30 days after receipt of request from State will pay liquidated damages to State at the rate of \$14,000 per day for the period of time when State was prevented from occupying the initially occupied portion of the leased premises of approximately 159,448 net usable square feet.

B. Lessor agrees that should Lessor fail to complete the remaining portion of the premises of approximately 59,963 net usable square feet by the date specified in the Completion Notice for such remaining portion of the leased premises required in Paragraph 9, and State suffers damages resulting from such failure, then Lessor within 30 days after receipt of written request from State will pay liquidated damages to State at the rate of \$4,500 per day for the period of time when State was prevented from occupying the remaining portion of the leased premises of approximately 59,963 net usable square feet. However, it is agreed that a portion (of not more than 8,800 net usable square feet) of the above referenced 59,963 net usable square feet may not be complete by the date specified in the Completion Notice referenced above and that in such event the State will not suffer damages and will not be due or paid any liquidated damages.

C. It is understood and agreed that it is not possible to accurately calculate now the precise amount of the damages the State may suffer in the future if the initially occupied portion of the leased premises and the remaining portion of the leased premises are not completed on time, the above is a minimum estimate of the amount of damages State may suffer.

D. Should Lessor's inability to complete the initially occupied portion of the premises of approximately 159,448 net usable square feet or the remaining portion of the premises of approximately 59,963 net usable square feet result in State's extension of its existing leases for the State agency tenants on a month-to-month basis, then the calculation of liquidated damages shall be based upon the first opportunity the State has to terminate its existing leases after the applicable portion of the premises are completed and available to the State for occupancy.

9. Lessor agrees that prior to February 1, 2001, and at Lessor's sole cost and expense, all required construction, improvements and/or alterations in the space of not more than 8,800 net usable square feet referenced in paragraphs 5., 6. and 8.B. of this Amendment to Lease shall be completed and made ready for State's occupancy in full compliance with Exhibits "A", "B", "C" and "F" of the Lease. It is specifically agreed that in the event that this space of not more than 8,800 net usable square feet is not completed and ready for occupancy on or before February 28, 2001, then and in that event the State may, at its option and in addition to any other remedies it may have, terminate the Lease and be relieved of any further obligation thereunder, providing that a fair and reasonable allowance for the delays described in Paragraph 9 of the Lease shall be added to said time for completion. Provided, however that Lessee has identified a Tenant and space planning has begun on the 8,800 sq.ft. prior to June 1, 2000. Further, Lessor agrees that should Lessor fail to complete the space of not more than 8,800 net usable square feet by February 28, 2001, and the State suffers damages from such failure, then Lessor within 30 days after receipt of request from State will pay liquidated damages to State at the rate of \$4,500 per day for the period of time when State was prevented from occupying the space of not more than 8,800 net usable square feet.

Except as amended herein, all the terms of said lease hereinabove referred to shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, this Amendment to Lease has been executed by the parties hereto on the date first above written.

STATE OF CALIFORNIA

Approval Recommended

DEPARTMENT OF GENERAL SERVICES  
REAL ESTATE SERVICES DIVISION  
PROFESSIONAL SERVICES BRANCH

By David B. Garcia  
for DAVID B. GARCIA, Real Estate Officer  
Real Estate Section

WESTERN DEVCON, INC.

By Mike Ibe  
Mike Ibe, President

Approved

DIRECTOR OF THE DEPARTMENT  
OF GENERAL SERVICES

By Lane Richmond  
Lane Richmond, Chief  
Real Estate Section

By John Ibe  
John Ibe, Secretary-Treasurer